



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-580-884]

#### **Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review; 2019**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) determines that producers/exporters of certain hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea) received countervailable subsidies during the period of review (POR) January 1, 2019, through December 31, 2019.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Kelsie Hohenberger, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-2517.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

Commerce published the *Preliminary Results* of this review on November 4, 2021.<sup>1</sup> On December 21, 2021, Commerce issued a post-preliminary analysis relating to two programs.<sup>2</sup> On February 25, 2022, Commerce extended the deadline for the final results of this administrative

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<sup>1</sup> See *Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review and Rescission in Part; 2019*, 86 FR 60797 (November 4, 2021) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

<sup>2</sup> See Memorandum, “Countervailing Duty Administrative Review of Certain Hot-Rolled Steel Flat Products from the Republic of Korea; 2019: Post-Preliminary Analysis Memorandum,” dated December 21, 2021 (Post-Preliminary Analysis).

review until May 3, 2022.<sup>3</sup> For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.<sup>4</sup>

#### Scope of the Order

The product covered by this order is hot-rolled steel. For a complete description of the scope of this order, see the Issues and Decision Memorandum.

#### Analysis of Comments Received

We addressed all issues raised in interested parties' case briefs in the Issues and Decision Memorandum accompanying this notice. A list of the issues raised by parties, to which Commerce responded in the Issues and Decision Memorandum, is provided as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://access.trade.gov/public/FRNoticesListLayout.aspx>.

#### Changes Since the *Preliminary Results*

After evaluating the comments received from interested parties and record information, we have made certain changes to our analysis, but have made no changes to the net subsidy rate calculated for Hyundai Steel. For a discussion of these comments, see the Issues and Decision Memorandum.

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<sup>3</sup> See Memorandum, "Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Extension of Deadline for Final Results of Countervailing Duty Administrative Review," dated February 25, 2022.

<sup>4</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2019 Administrative Review of the Countervailing Duty Order on Certain Hot-Rolled Steel Flat Products from the Republic of Korea," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

## Methodology

Commerce conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>5</sup> For a description of the methodology underlying Commerce's conclusions, *see* the Issues and Decision Memorandum.

## Final Rate for Non-Selected Company Under Review

There is one company in this review that was not selected as a mandatory respondent, *i.e.*, POSCO. Because the subsidy rate calculated for mandatory respondent Hyundai Steel was above *de minimis* and not based entirely on facts available, we are applying that rate to POSCO. This methodology for establishing the subsidy rate for the non-selected company is consistent with our practice and with section 705(c)(5)(A) of the Act.

## Final Results of Administrative Review

We determine that, for the period January 1, 2019, through December 31, 2019, the following net countervailable subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i> )
Hyundai Steel Company <sup>6</sup>	0.56
POSCO	0.56

## Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with final results within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final determination in the *Federal Register*, in accordance with 19 CFR 351.224(b). However,

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<sup>5</sup> See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

<sup>6</sup> This company was also referenced as “Hyundai Steel Co., Ltd” in the initiation notice. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 78990 (December 8, 2020).

because there are no changes from the *Preliminary Results* and Post-Preliminary Analysis, there are no new calculations to disclose.

#### Assessment Rate

Pursuant to section 751(a)(2)(C), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

In accordance with section 751(a)(2)(C) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for the companies listed above. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposits, when imposed, shall remain in effect until further notice.

#### Administrative Protective Order

This notice also serves as a final reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notice to Interested Parties

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: May 3, 2022.

**Lisa W. Wang,**  
*Assistant Secretary for Enforcement and Compliance.*

## **Appendix**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Period of Review
- V. Subsidies Valuation Information
- VI. Analysis of Programs
- VII. Discussion of the Issues
  - Comment 1: Whether the Korean Emissions Trading System (K-ETS) Provides a Countervailable Benefit
  - Comment 2: How Commerce Should Value Korean Allowance Units (KAUs)
  - Comment 3: Provision of Port Usage Rights at the Port of Incheon
  - Comment 4: Provision of Electricity from the Government of the Republic of Korea (GOK)
  - Comment 5: Whether the Restriction of Special Taxation Act (RSTA) and Restriction of Special Location Taxation Act (RSLTA) Benefits Should be Combined for Determining Measurability
  - Comment 6: Whether the Reduction for Sewerage Usage Fees in the City of Pohang is Countervailable
- VIII. Recommendation

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